



Funding Systems Railcars, Inc.

TRI-STATE CENTER • SUITE 370 • 2215 SANDERS RD. • NORTHBROOK, IL 60062 • (312) 272-8350

14112
RECORDATION NO. _____ Filed 1420

July 28, 1983

AUG 3 - 1983 -9 15 AM

INTERSTATE COMMERCE COMMISSION

3-2154094
No. _____
Date AUG 2 - 1983
Fee \$ 50.00
mai
ICC Washington, D. C.

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section 11303 of Title 49 of the United States Code and the regulations thereunder are the original and one copy of a Lease Agreement a primary document, dated July 21, 1983.

The names and addresses of the parties to the enclosed documents are:

Lessee/ Manager: Funding Systems Railcars, Inc.
2215 Sanders Road, Suite 370
Northbrook, Illinois 60062

Lessor/ End User: Forest Transit Commission d/b/a
Nicolet Badger Northern Railroad
800 S. Lake Ave.
Crandon, Wisconsin 54520

A general description of the railroad equipment covered by the enclosed documents is, as follows:

Ten (10) 100 ton capacity, triple outlet open top
hoppers equipped with gravity gates bearing reporting
marks UMPX.

The original and all extra copies of the enclosed documents should be returned to Ms. Sharon Schumacher of Funding Systems Railcars, Inc. 2215 Sanders Road, Suite 370, Northbrook, Illinois 60062.

RECEIVED
AUG 3 5 05 AM '83
I.C.C.
OPERATION BR.

Ms. Agatha L. Mergenovich
Interstate Commerce Commission
July 28, 1983
Page 2

Also enclosed is a remittance in the amount of \$50.00 for
payment of recordation fees.

I am an officer of Funding Systems Railcars, Inc., and have
knowledge of the matters set forth herein.

Very truly yours,

Funding Systems Railcars, Inc.

By Dennis T. Hurst

rlm
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Ms. Sharon Schumacher
Funding Systems Railcars, Inc.
2215 Sanders Road-Suite 370
Northbrook, Illinois 60062

August 3, 1983

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/3/83 at 9:15AM, and assigned re-recording number(s). 14112, & 13990-B

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

14112

RECORDATION NO. _____ FILED 1426

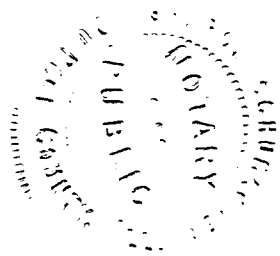
AUG 3 - 1983 - 9 15 AM

INTERSTATE COMMERCE COMMISSION

STATE OF ILLINOIS)

COUNTY OF COOK)

On this 28th day of July, 1983, I hereby certify that I have compared the attached copy of the Lease Agreement between Funding Systems Railcars, Inc. ("Manager") and Forest Transit Commission d/b/a Nicolet Badger Northern Railroad ("End User") dated July 21, 1983 with the original and have found the copy to be complete and identical in all respects to the original document.



[Seal]

Sharon Schumacher
Notary Public

My commission expires My Commission Expires Jan. 27, 1985

LEASE AGREEMENT

This Lease Agreement (hereinafter referred to as the "Agreement") set forth the terms and conditions under which Forest Transit Commission d/b/a Nicolet Badger Northern Railroad (hereinafter referred to as "NBNR") with a principal place of business at 800 S. LAKE AVE., CRAWFORD, WIS., 54520 ~~2925 Keystone Road, Northbrook, IL, 60062~~, agrees to accept ten (10) open top hopper railcars (as more particularly set forth in the attached schedule(s) and hereinafter referred to as "car" or "cars") managed by Funding Systems Railcars, Inc. (hereinafter referred to as "FSR") with a principal place of business at 2215 Sanders Road, Northbrook, IL, 60062.

TERM

The term of this Agreement shall commence on the date cars are marked "UMPX" ~~and~~ certified as suitable for interchange service ~~AND DELIVERED TO THE NBNR IN INTERCHANGE CONDITION~~ by FSR. The term shall continue for six (6) months unless sooner terminated as hereinafter provided.

TRANSPORTATION

NBNR shall pay all expenses connected with the movement of the cars, to include but not limited to the initial and termination freight charges, subject to this Agreement. Cars will be made available to NBNR at any Wisconsin & Southern Railroad interchange point.

MARKINGS

FSR shall place "UMPX" identifying marks on the cars at FSR's expense at the initial term of this Agreement. Upon the termination of this Agreement, the cars will be remarked as designated by FSR at NBNR's expense, not to exceed \$40.00 per car.

POSSESSION AND USE

It is the intent of the parties to this Agreement that NBNR shall have no title or interest in the Cars other than the rights to use them as stated herein. NBNR agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and that it will take such action and execute such documents as may be necessary to accomplish this intent.

NBNR shall not utilize the Cars as collateral nor perform or permit any lien or encumbrance of whatever nature to be imposed on any of the Cars; nor shall NBNR take or permit any action to be taken which would or could in any manner affect the clear title or interest of FSR or other car owners in said Cars.

The rights of NBNR to the use of the Cars supplied pursuant to this Agreement are subject and subordinate to the rights of any owner, trustee, vendor or secured party given in connection with acquisition and financing of the Cars.

NBNR will not permit the Cars to be used or handled to points outside the continental limits of the United States without the express written consent of FSR.

During the term of this Agreement, at the expense of FSR, FSR reserves the right to substitute any or all of the Cars with similar or like Cars and the rental in respect to the substituted Car shall commence when it is remarked with UMPX markings.

NBNR warrants that the Cars will not be used in extraordinary wear or tear service or loaded in excess of the load limit.

MAINTENANCE AND TAXES

NBNR shall be responsible to inspect all Cars interchanged

to it to ensure that such Cars are in good working order and condition and are in compliance with the AAR Interchange Rules and shall be liable to FSR for any repairs required for damage not noted at the time of interchange, as well as for handling line responsibility, as defined in the AAR Interchange and Car Service Rules, for damage and any repairs otherwise incurred while a Car is in the possession, use or control of NBNR.

In the event NBNR receives any reports or bills related to the Cars, NBNR will furnish monthly to FSR copies or originals of the reports received from the railroads and copies or originals of the AAR maintenance bills charged to NBNR relating to the Cars covered by this Agreement. FSR reserves the right to take exception to any bills and will approve all repair bills relating to the Cars prior to payment by NBNR.

If a Car requires extensive repairs, NBNR will, upon prior written notice from FSR, bill the Car to a repair shop for necessary repair or modifications. The repair shop shall be designated by FSR and all transportation costs off NBNR's trackage shall be at FSR's expense, except where repairs would be the responsibility of NBNR, in which case transportation costs to and from the shop will be at NBNR's expense. NBNR shall not make any alterations, improvements or additions to a Car without FSR's prior written consent. If NBNR makes an alteration, improvement or addition to any Car without FSR's prior written consent, NBNR shall be liable to FSR for such costs and for any revenues lost due to this alteration, improvement or addition. All settlements for loss, destruction or damage of any Car occurring on NBNR's property shall be in accordance with terms set forth in the Field and Office Manuals of the AAR Interchange Rules and payable to FSR.

NBNR shall permit FSR or its representatives to inspect the Cars and/or records at any time during normal business hours.

NBNR will not pay any taxes relating to the Cars without FSR's written approval. FSR agrees to reimburse NBNR for all taxes, assessments and other governmental charges of whatsoever kind or character paid by NBNR relating to each Car which may be accrued, levied, assessed or imposed on NBNR during the term of this Agreement. However, FSR reserves the right to contest any payments for taxes, assessments and other governmental charges.

INSURANCE

FSR agrees to keep the Cars adequately insured while not in NBNR's possession; however, FSR reserves the right of subrogation against the responsible parties. NBNR shall be named as additional insured on FSR's insurance policies on the Cars. NBNR shall promptly endorse insured value checks for any loss, damage or destruction of the Cars as directed by FSR.

NBNR shall, at all times while this Agreement is in effect, at its own expense, cause to be carried and maintained (a) physical loss or damage insurance with respect to the cars while in NBNR's possession and (b) public liability insurance with respect to third party personal injury and property damage while the Cars are in NBNR's possession; in each case in such amounts and for such risks and with such insurance companies as are consistent with prudent industry practice. NBNR shall furnish FSR certificates of the aforesaid insurance signed by an independent insurance broker. The insurance shall be

taken out in the name of NBNR and shall name FSR as additional named insured on the public liability insurance with respect to third party personal injury and property damage while the Cars are in NBNR's possession, and shall also list FSR as loss payee on the property insurance.

TERMINATION

At the termination/expiration of this Agreement as to any or all of the Cars, NBNR will surrender possession of such Cars which are in NBNR's possession or on the line of any affiliate of NBNR to FSR by delivering the Cars to any Wisconsin & Southern Railroad interchange point, free of freight charges.

At the termination/expiration of this Agreement, a joint inspection shall be made to determine that the Cars are in interchange condition, marked with railroad markings designated by FSR, if applicable, and are in the same operating order, repair and condition as when originally delivered to NBNR, reasonable wear and tear excepted, and that the Cars are clean and free of commodity accumulation and deposits. Any costs for cleaning or restoring the Cars to their original condition, reasonable wear and tear excepted, shall be at NBNR's expense.

REPORTS AND RECORD KEEPING

FSR shall prepare the registration of the Cars in the Official Railway Equipment Register (ORER) and the Universal Machine Language Equipment Register (UMLER).

Unless prohibited from doing so, FSR shall, during the term of this Agreement, prepare and file all documents related to the registration, maintenance and record keeping function normally performed by NBNR with respect to the Cars. No changes will be made in the Official Railway Equipment Register or UMLER without the express written approval of FSR.

MISCELLANEOUS

NBNR warrants that:

1. It is not part of any proceeding seeking relief under any bankruptcy or insolvency laws or laws relating to the relief of debtors, reorganizations or adjustments of debt.

2. It is a corporation legally incorporated, validly existing and in good standing under the laws of the state of its incorporation, with adequate corporate powers to own its properties, to carry on its business as now conducted and to enter, execute and deliver this Agreement.

Any misrepresentation on the part of NBNR herein or any noncompliance or nonperformance of NBNR's obligations hereunder shall constitute a default. If any proceeding shall be commenced by or against NBNR for any relief under any bankruptcy or insolvency laws or laws relating to the relief of debtors, reorganization or adjustments of debts, a default shall exist.

Upon the occurrence of a default, FSR may terminate this Agreement and FSR shall have all of the rights provided under the Interstate Commerce Act and under the Uniform Commercial Code, as adopted in Illinois.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written below.

FOREST TRANSIT COMMISSION d/b/a
NICOLET BADGER NORTHERN RAILROAD

FUNDING SYSTEMS RAILCARS, INC.

BY: Michael W. Smith

TITLE: Chairman Board

DATE: 7-17-83

ATTEST: [Signature]

BY: [Signature]

TITLE: PRESIDENT

DATE: 7-21-83

ATTEST: Carmen Montagano

LEASE AGREEMENT SCHEDULE NO. 1

Agreement Schedule, dated as of the 21st day of JULY, 1983, by and between Funding Systems Railcars, Inc. and Forest Transit Commission d/b/a Nicolet Badger Northern Railroad, pursuant to a certain Lease Agreement dated as of July 12, 1983 between Funding Systems Railcars, Inc. and Forest Transit Commission d/b/a Nicolet Badger Northern Railroad (the terms and conditions of said Lease Agreement are incorporated herein by reference).

DESCRIPTION OF EQUIPMENT: Ten (10) 100 ton capacity, triple outlet open top hoppers equipped with gravity gates.

REPORTING NUMBERS AND MARKS:

UMPX 6437,	UMPX 6534	UMPX 7533
UMPX 6442	UMPX 6550	UMPX 7534
UMPX 6480	UMPX 6578	
UMPX 6529	UMPX 7216	

TERM: Six (6) months

RENTAL: \$275.00 per car per month IN ADVANCE (B30)

Witness the due execution hereof as of the day and year first above written.

FUNDING SYSTEMS RAILCARS, INC.

FOREST TRANSIT COMMISSION d/b/a
NICOLET BADGER NORTHERN RAILROAD

BY: James E. Blair

BY: Harold W. Reid

TITLE: PRESIDENT

TITLE: Chairman & Commission

STATE OF Illinois :
COUNTY OF Cook : ss.

On this 12th day of July, 1983, before me personally appeared Marshall Kuhn, to me personally known, who being by me duly sworn, says that he is Chairman of Forest Transit Commission d/b/a Nicolet Badger Northern Railroad, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that he is authorized to sign and execute the foregoing instrument on behalf of the corporation and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Christina M. Slovick
Notary Public

Notarial Seal

STATE OF Illinois :
COUNTY OF Cook : ss.

On this 21st day of July, 1983, before me personally appeared James B. Shein, to me personally know, who being by me duly sworn, says that he is President of Funding Systems Railcars, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that he is authorized to sign and execute the foregoing instrument on behalf of the corporation and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Carmen Montano
Notary Public

My Commission Expires October 20, 1984

Notarial Seal